

President Bakery Public Company Limited
Review report and interim financial information
For the three-month period ended
31 March 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of President Bakery Public Company Limited

I have reviewed the accompanying statement of financial position, in which the equity method is applied, of President Bakery Public Company Limited as at 31 March 2023, the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim financial statements. I have also reviewed the separate financial information of President Bakery Public Company Limited for the same period (collectively "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Satida Ratananurak

Certified Public Accountant (Thailand) No. 4753

EY Office Limited

Bangkok: 15 May 2023

President Bakery Public Company Limited

Statements of financial position

As at 31 March 2023

(Unit: Thousand Baht)

	<u>Note</u>	Financial statements in which		Separate financial statements	
		the equity method is applied			
		<u>31 March 2023</u>	<u>31 December 2022</u>	<u>31 March 2023</u>	<u>31 December 2022</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		842,133	648,944	842,133	648,944
Trade and other receivables	2, 3	654,072	1,003,364	654,072	1,003,364
Inventories		212,284	208,898	212,284	208,898
Other current financial assets	5	4,884,933	4,719,327	4,884,933	4,719,327
Other current assets		24,385	16,570	24,385	16,570
Total current assets		6,617,807	6,597,103	6,617,807	6,597,103
Non-current assets					
Investment in joint venture	4.1	30,513	34,788	5,850	5,850
Other non-current financial assets	5	2,504,600	2,186,543	2,504,600	2,186,543
Property, plant and equipment	6	3,315,886	3,334,261	3,315,886	3,334,261
Right-of-use assets		28,610	28,544	28,610	28,544
Advance payments for purchase of assets		5,782	3,408	5,782	3,408
Intangible assets		11,681	11,566	11,681	11,566
Other non-current assets		4,846	4,769	4,846	4,769
Total non-current assets		5,901,918	5,603,879	5,877,255	5,574,941
Total assets		12,519,725	12,200,982	12,495,062	12,172,044

The accompanying notes are an integral part of the financial statements.

President Bakery Public Company Limited
Statements of financial position (continued)
As at 31 March 2023

(Unit: Thousand Baht)

	<u>Note</u>	Financial statements in which			
		the equity method is applied		Separate financial statements	
		<u>31 March 2023</u>	<u>31 December 2022</u>	<u>31 March 2023</u>	<u>31 December 2022</u>
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	3, 7	734,623	782,498	734,623	782,498
Current portion of lease liabilities		13,048	12,444	13,048	12,444
Corporate income tax payable		197,954	139,255	197,954	139,255
Accrued expenses		131,563	198,999	131,563	198,999
Other current liabilities		14,665	11,134	14,665	11,134
Total current liabilities		1,091,853	1,144,330	1,091,853	1,144,330
Non-current liabilities					
Lease liabilities - net of current portion		15,102	15,564	15,102	15,564
Deferred tax liabilities		2,895	4,971	2,895	4,971
Provision for long-term employee benefits		97,648	97,734	97,648	97,734
Other non-current liabilities		4,467	4,402	4,467	4,402
Total non-current liabilities		120,112	122,671	120,112	122,671
Total liabilities		1,211,965	1,267,001	1,211,965	1,267,001

The accompanying notes are an integral part of the financial statements.

President Bakery Public Company Limited
Statements of financial position (continued)
As at 31 March 2023

(Unit: Thousand Baht)

	Financial statements in which		Separate financial statements	
	the equity method is applied			
	<u>31 March 2023</u>	<u>31 December 2022</u>	<u>31 March 2023</u>	<u>31 December 2022</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered				
450,000,000 ordinary shares of Baht 1 each	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>	<u>450,000</u>
Issued and fully paid-up				
450,000,000 ordinary shares of Baht 1 each	450,000	450,000	450,000	450,000
Share premium	674,380	674,380	674,380	674,380
Retained earnings				
Appropriated - statutory reserve	45,000	45,000	45,000	45,000
Unappropriated	10,068,525	9,686,305	10,043,862	9,657,367
Other components of shareholders' equity	<u>69,855</u>	<u>78,296</u>	<u>69,855</u>	<u>78,296</u>
Total shareholders' equity	<u>11,307,760</u>	<u>10,933,981</u>	<u>11,283,097</u>	<u>10,905,043</u>
Total liabilities and shareholders' equity	<u>12,519,725</u>	<u>12,200,982</u>	<u>12,495,062</u>	<u>12,172,044</u>

The accompanying notes are an integral part of the financial statements.

.....
Directors
.....

President Bakery Public Company Limited
Statements of comprehensive income
For the three-month period ended 31 March 2023

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Sales		1,785,267	1,740,319	1,785,267	1,740,319
Other income		20,467	14,193	26,317	17,410
Total revenues		1,805,734	1,754,512	1,811,584	1,757,729
Expenses					
Cost of sales		979,141	939,697	979,141	939,697
Selling and distribution expenses		337,742	328,178	337,742	328,178
Administrative expenses		62,214	71,851	62,214	71,851
Total expenses		1,379,097	1,339,726	1,379,097	1,339,726
Operating profit		426,637	414,786	432,487	418,003
Share of profit from investment in joint venture	4.2	1,575	1,115	-	-
Finance income		20,760	11,492	20,760	11,492
Finance cost		(385)	(177)	(385)	(177)
Profit before income tax expenses		448,587	427,216	452,862	429,318
Income tax expenses	8	(60,392)	(49,031)	(60,392)	(49,031)
Profit for the period		388,195	378,185	392,470	380,287
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Loss on change in value of debt investment designated at fair value through other comprehensive income - net of income tax		(927)	(5,640)	(927)	(5,640)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(927)	(5,640)	(927)	(5,640)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Gain (loss) on change in value of equity investment designated at fair value through other comprehensive income - net of income tax		(13,489)	2,517	(13,489)	2,517
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(13,489)	2,517	(13,489)	2,517
Other comprehensive income for the period		(14,416)	(3,123)	(14,416)	(3,123)
Total comprehensive income for the period		373,779	375,062	378,054	377,164
Earnings per share					
Basic earnings per share (Baht)	10	0.86	0.84	0.87	0.85

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

President Bakery Public Company Limited
Statements of changes in shareholders' equity
For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

Financial statements in which the equity method is applied						
			Retained earnings		Other components of shareholders' equity	
	Issued and paid-up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Other comprehensive income - Fair value reserve of financial assets at FVOCI	Total
Note						
Balance as at 1 January 2022	450,000	674,380	45,000	8,851,568	119,526	10,140,474
Profit for the period	-	-	-	378,185	-	378,185
Other comprehensive income for the period	-	-	-	-	(3,123)	(3,123)
Total comprehensive income for the period	-	-	-	378,185	(3,123)	375,062
Transfer fair value reserve of equity instruments designated at FVOCI to retained earnings	-	-	-	3,381	(3,381)	-
Balance as at 31 March 2022	450,000	674,380	45,000	9,233,134	113,022	10,515,536
Balance as at 1 January 2023	450,000	674,380	45,000	9,686,305	78,296	10,933,981
Profit for the period	-	-	-	388,195	-	388,195
Other comprehensive income for the period	-	-	-	-	(14,416)	(14,416)
Total comprehensive income for the period	-	-	-	388,195	(14,416)	373,779
Transfer fair value reserve of equity instruments designated at FVOCI to retained earnings	5	-	-	(5,975)	5,975	-
Balance as at 31 March 2023	450,000	674,380	45,000	10,068,525	69,855	11,307,760

The accompanying notes are an integral part of the financial statements.

(Unaudited but reviewed)

President Bakery Public Company Limited
Statements of changes in shareholders' equity (continued)
For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

Separate financial statements						
					<u>Other components of shareholders' equity</u>	
					Other comprehensive income -	
					Fair value reserve of financial assets at	
					FVOCI	
					Total	
Note	Issued and paid-up share capital	Share premium	<u>Retained earnings</u> Appropriated - statutory reserve		Unappropriated	
Balance as at 1 January 2022	450,000	674,380	45,000	8,826,072	119,526	10,114,978
Profit for the period	-	-	-	380,287	-	380,287
Other comprehensive income for the period	-	-	-	-	(3,123)	(3,123)
Total comprehensive income for the period	-	-	-	380,287	(3,123)	377,164
Transfer fair value reserve of equity instruments designated at FVOCI to retained earnings	-	-	-	3,381	(3,381)	-
Balance as at 31 March 2022	<u>450,000</u>	<u>674,380</u>	<u>45,000</u>	<u>9,209,740</u>	<u>113,022</u>	<u>10,492,142</u>
Balance as at 1 January 2023	450,000	674,380	45,000	9,657,367	78,296	10,905,043
Profit for the period	-	-	-	392,470	-	392,470
Other comprehensive income for the period	-	-	-	-	(14,416)	(14,416)
Total comprehensive income for the period	-	-	-	392,470	(14,416)	378,054
Transfer fair value reserve of equity instruments designated at FVOCI to retained earnings	5	-	-	(5,975)	5,975	-
Balance as at 31 March 2023	<u>450,000</u>	<u>674,380</u>	<u>45,000</u>	<u>10,043,862</u>	<u>69,855</u>	<u>11,283,097</u>

The accompanying notes are an integral part of the financial statements.

President Bakery Public Company Limited**Statements of cash flows****For the three-month period ended 31 March 2023**

(Unit: Thousand Baht)

	Financial statements in which			
	the equity method is applied		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from operating activities				
Profit before tax	448,587	427,216	452,862	429,318
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	91,473	97,932	91,473	97,932
Gain from disposals of property, plant and equipment	(1,375)	(63)	(1,375)	(63)
Share of profit from investment in joint venture	(1,575)	(1,115)	-	-
(Gain) loss on sales of other current financial assets	113	(49)	113	(49)
Loss on sales of other non-current financial assets	6,774	348	6,774	348
Gain (loss) from sales of equity investment not recognised in profit or loss	(7,469)	4,226	(7,469)	4,226
Unrealised (gain) loss on exchange	(325)	271	(325)	271
(Gain) loss on fair value measurement of financial assets	(1,282)	6,194	(1,282)	6,194
Provision for long-term employee benefits	2,201	1,724	2,201	1,724
Dividend income from listed equity investments	(3,020)	(3,222)	(3,020)	(3,222)
Dividend income from joint venture	-	-	(5,850)	(3,217)
Dividend income from non-listed equity investment	(7,650)	(5,850)	(7,650)	(5,850)
Finance income	(20,760)	(11,492)	(20,760)	(11,492)
Finance cost	385	177	385	177
Profit from operating activities before changes in operating assets and liabilities	506,077	516,297	506,077	516,297
Decrease (increase) in operating assets				
Trade and other receivables	401,421	270,672	401,421	270,672
Inventories	(3,386)	(3,695)	(3,386)	(3,695)
Other current assets	(7,815)	(6,771)	(7,815)	(6,771)
Other non-current assets	(77)	69	(77)	69
Increase (decrease) in operating liabilities				
Trade and other payables	(77,638)	(13,891)	(77,638)	(13,891)
Other current liabilities	(67,731)	(69,708)	(67,731)	(69,708)
Provision for long-term employee benefits	(2,287)	(3,725)	(2,287)	(3,725)
Other non-current liabilities	64	191	64	191
Cash from operating activities	748,628	689,439	748,628	689,439
Cash paid for income tax	(166)	(151)	(166)	(151)
Net cash from operating activities	748,462	689,288	748,462	689,288

The accompanying notes are an integral part of the financial statements.

President Bakery Public Company Limited
Statements of cash flows (continued)
For the three-month period ended 31 March 2023

(Unit: Thousand Baht)

	Financial statements in which		Separate financial statements	
	the equity method is applied			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from investing activities				
Cash paid for other current financial assets	(1,400,338)	(1,316,156)	(1,400,338)	(1,316,156)
Cash paid for other non-current financial assets	(591,981)	(413,489)	(591,981)	(413,489)
Cash received from sales of other current financial assets	1,243,807	1,447,003	1,243,807	1,447,003
Cash received from sales of other non-current financial assets	267,567	333,103	267,567	333,103
Acquisitions of property, plant and equipment	(90,154)	(30,284)	(90,154)	(30,284)
Proceeds from disposals of property, plant and equipment	1,421	175	1,421	175
Increase in advance payments for purchase of assets	(2,374)	(1,812)	(2,374)	(1,812)
Increase in intangible assets	(813)	(103)	(813)	(103)
Interest income	14,480	10,387	14,480	10,387
Dividend income from listed equity investments	1,005	739	1,005	739
Dividend income from joint venture	5,850	3,217	5,850	3,217
Net cash from (used in) investing activities	(551,530)	32,780	(551,530)	32,780
Cash flows from financing activities				
Payment of principal portion of lease liabilities	(3,358)	(2,229)	(3,358)	(2,229)
Cash paid for interest expenses	(385)	(177)	(385)	(177)
Net cash used in financing activities	(3,743)	(2,406)	(3,743)	(2,406)
Net increase in cash and cash equivalents	193,189	719,662	193,189	719,662
Cash and cash equivalents at beginning of period	648,944	389,769	648,944	389,769
Cash and cash equivalents at end of period	842,133	1,109,431	842,133	1,109,431
Supplementary disclosures of cash flows information				
Non-cash related transactions				
Other payables for purchases of machinery and equipment, construction and retention	50,022	25,188	50,022	25,188
Dividend receivable	9,732	8,333	9,732	8,333
Acquisition of right-of-use assets under lease contracts	3,955	7,006	3,955	7,006

The accompanying notes are an integral part of the financial statements.

President Bakery Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2023

1. General information

1.1 Corporate information

President Bakery Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is Thai President Foods Public Company Limited, which is a public company incorporated in Thailand. The Company is principally engaged in the manufacture and sales of bakery products and its registered address is at No. 121/84-85, 29th Floor, RS Tower, Ratchadapisek Road, Dindaeng, Bangkok.

1.2 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Significant accounting policies

The interim financial statements are prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Company's financial statements.

2. Trade and other receivables

	(Unit: Thousand Baht)	
	31 March 2023	31 December 2022
		(Audited)
<u>Trade receivables - related parties</u>		
Aged on the basis of due dates		
Not yet due	421	482
Total trade receivables - related parties	421	482
<u>Trade receivables - unrelated parties</u>		
Not yet due	507,603	545,214
Past due		
Up to 3 months	91,524	445,645
3 - 6 months	19	-
Total trade receivables - unrelated parties	599,146	990,859
Total trade receivables	599,567	991,341
<u>Other receivables</u>		
Other receivables - related party	189	209
Other receivables - unrelated parties	54,316	11,814
Total other receivables	54,505	12,023
Total trade and other receivables	654,072	1,003,364

3. Related party transactions

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business. There were no significant changes in the transfer pricing policy of transactions with related parties during the current period.

Summaries significant business transactions with related parties as follows.

	(Unit: Million Baht)	
	For the three-month periods ended	
	31 March	
	<u>2023</u>	<u>2022</u>
Transactions with related companies		
Purchase of goods	122.6	120.3
Dividend income	7.7	5.9

(Unaudited but reviewed)

(Unit: Million Baht)
For the three-month
periods ended
31 March

	<u>2023</u>	<u>2022</u>
Transactions with joint venture		
Sales of goods	0.8	0.6
Service income	0.7	0.7
Rental income	0.1	0.1
Dividend income	5.9	3.2

The balances of the accounts as at 31 March 2023 and 31 December 2022 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	<u>31 March 2023</u>	<u>31 December 2022</u>
		(Audited)
Trade and other receivables - related parties (Note 2)		
Joint venture (related by the Company holding interest in that Company and common directors)	463	691
Related companies (related by having holding interest in the Company and/or by common shareholders and common directors)	147	-
Total trade and other receivables - related parties	<u>610</u>	<u>691</u>

Trade and other payables - related parties (Note 7)

Related companies (related by having holding interest in the Company and/or by common shareholders and common directors)	134,185	125,072
Connected companies (related by connected directors)	1,072	1,222
Total trade and other payables - related parties	<u>135,257</u>	<u>126,294</u>

Directors' and management's remuneration

During the three-month periods ended 31 March 2023 and 2022, the Company had employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)
For the three-month
periods ended
31 March

	<u>2023</u>	<u>2022</u>
Short-term employee benefits	12.8	13.3
Post-employment benefits and other long-term benefits	0.2	0.2
Total	<u>13.0</u>	<u>13.5</u>

4. Investment in joint venture

4.1 Details of investment in joint venture

Investment in joint venture represents investment in entity which is jointly controlled by the Company and other companies. Details of this investment are as follows:

Joint venture	Nature of business	Paid-up capital	Shareholding percentage		Financial statements in which the equity method is applied - carrying amount based on equity method		Separate financial statements - carrying amount based on cost method	
			31 March 2023	31 December 2022	31 March 2023	31 December 2022	31 March 2023	31 December 2022
		Million Baht	Percent	Percent	Thousand Baht	Thousand Baht	Thousand Baht	Thousand Baht
President Green House Foods Co., Ltd.	Operating the Japanese restaurant	15	39	39	30,513	34,788	5,850	5,850
Total investment in joint venture					30,513	34,788	5,850	5,850

4.2 Share of comprehensive income and dividend received

During the periods, the Company recognised its share of comprehensive income from investment in the joint venture in the financial statements in which the equity method is applied and recognised dividend income in the separate financial statements in which the cost method is applied as follows:

(Unit: Thousand Baht)

Joint venture	Financial statements in which the equity method is applied		Separate financial statements	
	Share of profit from investment in the joint venture during the three-month periods ended 31 March	Share of profit from investment in the joint venture during the three-month periods ended 31 March	Dividend received during the three-month periods ended 31 March	Dividend received during the three-month periods ended 31 March
	2023	2022	2023	2022
President Green House Foods Co., Ltd.	1,575	1,115	5,850	3,217
Total	1,575	1,115	5,850	3,217

5. Other financial assets

As at 31 March 2023 and 31 December 2022, other financial assets, other than cash and cash equivalents, consisted of the following:

	(Unit: Thousand Baht)	
	31 March 2023	31 December 2022
		(Audited)
<u>Debt instruments at amortised cost</u>		
Fixed deposits	4,161,680	3,690,852
Total debt instruments at amortised cost	4,161,680	3,690,852
<u>Debt instruments at FVOCI</u>		
Bank of Thailand bond	1,171,497	1,292,369
Corporate bond, note or debt instruments	868,776	808,362
Total debt instruments at FVOCI	2,040,273	2,100,731
<u>Equity instruments designated at FVOCI</u>		
Listed equity instrument		
Airports Of Thailand Public Co., Ltd.	25,454	27,600
CP ALL Public Co., Ltd.	17,813	15,479
Gulf Energy Development Public Co., Ltd.	16,477	18,677
Others	305,416	329,194
Non-listed equity instrument		
Saha Capital Tower Co., Ltd.	350,000	275,000
President Flour Mills Co., Ltd.	182,040	182,040
King Square Development Co., Ltd.	35,387	35,387
Other	10,000	10,000
Mutual funds and unit trusts		
Hydrogen Freehold and Leasehold Real Estate		
Investment Trust	183,600	180,000
Other	46,591	27,390
Total equity instruments designated at FVOCI	1,172,778	1,100,767
<u>Financial assets at FVTPL</u>		
Open-end fund	14,802	13,520
Total financial assets at FVTPL	14,802	13,520
Total other financial assets	7,389,533	6,905,870
Classified as:		
Other current financial assets	4,884,933	4,719,327
Other non-current financial assets	2,504,600	2,186,543
Total other financial assets	7,389,533	6,905,870

(Unaudited but reviewed)

(Unit: Million Baht)

	31 March 2023		31 December 2022	
	Cost	Fair value	Cost	Fair value
			(Audited)	(Audited)
Financial assets				
Quoted debt investments	2,045	2,040	2,106	2,101
Non-listed equity investments	475	577	400	502
Listed equity investments	365	365	379	391
Mutual funds and unit trust investments	233	230	212	207
Opened - end fund	23	15	23	14
Total	3,141	3,227	3,120	3,215

Equity instruments designated at FVOCI include listed and non-listed equity investments which the Company considers these investments to be strategic in nature.

During the three-month period ended 31 March 2023, the Company sold its equity interest in some listed equity investment as this investment no longer coincides with the Company's investment strategy. The fair value on the date of sale was totaling of Baht 190.3 million and the accumulated loss recognised in other comprehensive income net of income tax of Baht 6.0 million was transferred to retained earnings.

In addition, during the three-month period ended 31 March 2023, the Company received dividends in the amount of Baht 3.0 million from listed equity investments.

During the three-month period ended 31 March 2023, the Company received dividend income of Baht 7.7 million from President Flour Mills Company Limited.

During the three-month period ended 31 March 2023, Saha Capital Tower Co., Ltd. called up 25 percent of its additional share capital and the Company paid the share subscription of Baht 75 million in February 2023. The Company has treated this investment as equity instruments designated at FVOCI.

6. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 31 March 2023 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2023	3,334,261
Acquisitions during the period - at cost	69,012
Disposals during the period - net book value at disposal date	(46)
Depreciation for the period	(87,341)
Net book value as at 31 March 2023	<u>3,315,886</u>

7. Trade and other payables

	(Unit: Thousand Baht)	
	31 March 2023	31 December 2022
		(Audited)
Trade payables - related parties	122,487	120,022
Trade payables - unrelated parties	410,044	481,233
Other payables - related party	1,434	1,350
Other payables - unrelated parties	161,273	116,267
Other payables for purchases of machinery and equipment - related party	11,336	4,922
Other payables for purchases of machinery and equipment - unrelated parties	28,049	58,704
Total trade and other payables	<u>734,623</u>	<u>782,498</u>

8. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and separate financial statements	
	For the three-month periods ended 31 March	
	<u>2023</u>	<u>2022</u>
Current income tax:		
Interim corporate income tax charge	58,865	51,046
Deferred tax:		
Relating to origination and reversal of temporary differences	1,527	(2,015)
Income tax expenses reported in profit or loss	<u>60,392</u>	<u>49,031</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month periods ended 31 March 2023 and 2022 are as follows:

	(Unit: Thousand Baht)	
	Financial statements in which the equity method is applied and separate financial statements	
	For the three-month periods ended 31 March	
	<u>2023</u>	<u>2022</u>
Deferred tax relating to change in value of investments	<u>(2,110)</u>	<u>(1,626)</u>

9. Operating segment information

The one main reportable operating segment of the Company is manufacture and sales of bakery products in which revenue is recognised at a point in time and the single geographical area of its operations is Thailand. The distribution channels are through wholesale, retail and export. The wholesales for the three-month period ended 31 March 2023 amounted to approximately Baht 1,603 million or 89.8% of total sales (2022: Baht 1,594 million or 91.6% of total sales) which were from a main customer, representing about 51.2% of total sales (2022: 50.3% of total sales). Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

10. Earnings per share

Basic earnings per share is calculated by dividing profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

	For the three-month periods ended 31 March			
	Financial statements in which the equity method is applied		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Profit for the period (Thousand Baht)	388,195	378,185	392,470	380,287
Weighted average number of ordinary shares (Thousand shares)	450,000	450,000	450,000	450,000
Basic earnings per share (Baht)	0.86	0.84	0.87	0.85

11. Commitments and contingent liabilities**11.1 Long-term purchase commitments**

The Company has commitments under natural gas purchase agreement for period of 5 - 7 years. Under the agreement, the Company is committed to purchase natural gas at a minimum quantity at the price stipulated in the agreement.

No.	Period (Years)	Expired date	Average minimum quantity purchase (Million BTU)
1	5	31 December 2023	276 per day
2	7	30 November 2029	22,211 per annum
3	7	30 November 2029	43,859 per annum

11.2 Guarantees

	(Unit: Million Baht)	
	31 March 2023	31 December 2022
Letters of guarantee for electricity use	25.9	25.9
Letters of guarantee for contractual performance under the natural gas purchase agreement	3.6	3.5
Letters of guarantee for sales	1.2	1.8
Letters of guarantee for land rental	0.2	0.2

12. Fair value of financial instruments

As at 31 March 2023, the Company had assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied and Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVOCI				
Listed equity instrument	365,160	-	-	365,160
Debt instrument	-	2,040,273	-	2,040,273
Non-listed equity instrument	-	-	577,427	577,427
Unit trust	-	230,191	-	230,191
Financial assets at fair value through profit or loss				
Open-end fund	-	14,802	-	14,802
Liabilities measured at fair value				
Financial liabilities measured at FVTPL				
Derivative liabilities				
Foreign currency forward contracts	-	251	-	251

During the current period, there were no change in the methods and assumptions used by the Company estimating the fair value of financial instruments and no transfer within the fair value hierarchy.

13. Event after the reporting period - dividend payment

On 28 April 2023, the Annual General Meeting of the Company's shareholders passed a resolution to approve the payment of dividend on the profit for the year ended 31 December 2022 to the shareholders at Baht 2.00 per share. The Company had paid interim dividend for the six-month period ended 30 June 2022 at Baht 0.86 per share, and the final dividend remains at Baht 1.14 per share or equivalent to Baht 513 million. The Company will pay such dividend on 24 May 2023.

14. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 15 May 2023.